



## **RTP APPENDIX C**



### **Available Funding Sources**

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### **FEDERAL FUNDING SOURCES**

**FAA Airport Improvement Program (AIP)** The Federal Aviation Administration (FAA), through the Airport Improvement Program (AIP), provides funding for airport planning and development projects that enhance capacity, safety, security, and noise mitigation. FAA has designated about 3,300 airports as critical to the national airport system and thus eligible for AIP funding.

**FHWA Congestion Mitigation and Air Quality Mitigation (CMAQ) Funds** This program was established by ISTEA and directs funds toward transportation projects and programs in Clean Air Act, non-attainment areas for ozone and carbon monoxide. Project planning or other development activities that lead directly to construction of facilities or new services and programs, that will have an air quality benefit, are eligible for CMAQ funding. General planning activities are eligible only if they directly support a transportation/air quality project which is eligible for CMAQ funding. FHWA has issued updated guidance and eligibility criteria on the CMAQ program (April 1999). In addition, the California Air Resources Board has recommended that project selection be guided by emission reduction cost-effectiveness, and has worked with Caltrans to formulate and distribute cost-effectiveness analysis methods. These criteria and recommendations make it important that the planning process consider the sources of funds for projects prior to selection and programming.

**FHWA Metropolitan Planning (PL) Funds** PL funds are available to each State for federal highway projects, including transportation planning. They may be used for metropolitan planning as set forth in Section 134 of Title 23, USC. Funds are made available for use by Metropolitan Planning Organizations (MPOs) and allocated by formula established by Caltrans, FHWA and the MPOs.

**FHWA Public Lands Highway-Discretionary Funds** These funds (drawn from the General Funds of the Treasury at 100% pro rata) can be used for planning, as well as for research, engineering and construction of highways, roads or transit facilities that serve Federal public lands and Native American Reservations. Funding is competitive on a nation-wide basis. In California, applications are submitted to FHWA via Caltrans annually, prior to the deadline established by FHWA. Eligible applicants can be local, State, Federal agencies as well as non-profit organizations.

**FHWA State Planning and Research (SPR)** SPR funds are appropriated for specific federal-aid categories and are available to each State for federal highway projects. Of the federal-aid highway funds that are set aside for SPR, Caltrans determines the planning and research activities to be funded. FHWA reviews the eligibility of these activities and approves them in the annual SPR Work Program.

**FHWA Surface Transportation Program (STP) and National Highway System (NHS) Funds** These programs were established by ISTEA and may be used by the State and localities for any roads, including NHS roads, that are not functionally classified as local or rural minor collectors. Metropolitan Planning (PL) and SPR are both eligible activities under both of these programs.

**FHWA Transportation Enhancement Activities (TEA)** The Transportation Enhancement Activities Program (TEA) offers broad opportunities and federal dollars to take unique and creative actions to integrate transportation into our communities and the natural environment. The Program helps to promote livable communities and strengthen partnerships.

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**FTA Section 5303 Funds (Metropolitan Planning)** Section 5303 funds are available to MPOs for transportation planning purposes as set forth in section 134, Title 23 and Section 5303, Title 49, in Metropolitan Planning Areas (MPAs).

**FTA Section 5307 Funds (Urbanized Area Formula Assistance Program)** Section 5307 provides funding for urbanized areas for planning, capital and operating assistance for public transit services. Funds for urbanized areas under 200,000 population are made available to the State for administration. For urbanized areas of 200,000 and over, funds are available to a local designated recipient(s). A number of urbanized area recipients of Section 5307 funds also receive Section 5311 funds to carry out projects in outlying non urbanized areas.

**FTA Section 5308 Funds (Clean Fuels Formula Grant Program)** TEA-21 included a formula program to promote the use of clean fuels. Public transit operators in clean air non-attainment or maintenance areas, both urbanized and non-urbanized, are eligible to apply. Apportioned funds are available to applicants for one year plus one additional year. Eligible projects include the following: the purchase or lease of clean fuel buses, the construction or lease of clean fuel electrical recharging facilities, improvement of existing facilities to accommodate clean fuel buses, etc.

**FTA Section 5309 Funds (Capital Program - Bus)** Section 5309 provides capital assistance for fixed guideway modernization (40 percent), construction and extension of new fixed guideway systems (40 percent), and bus and bus related equipment and facilities (20 percent) in both urbanized and non urbanized areas. Local public bodies are eligible applicants for Section 5309 funds. States may apply on behalf of private nonprofit and public sub recipients.

**FTA Section 5310 Fund (Title 49 U.S.C.) (Elderly and Persons with Disabilities Program)** Section 5310 directs the FTA to make funds available to each state to assist private nonprofit organizations in the purchase of vehicles and related equipment to provide transportation services which meet the special needs of elderly persons and persons with disabilities.

**FTA Section 5311 Funds (Title 49 U.S.C.) (Nonurbanized Area Formula Program for Public Transportation)** The FTA apportions Section 5311 funds annually to each state for public transportation projects in non-urbanized areas. The State prepares an annual program of projects, which must provide for fair and equitable distribution of funds.

**FTA Section 5313(b) & 5314 Funds (Title 49 U.S.C.)** Section 5313(b) funds are apportioned annually to the states for use in planning and research. Some of the Section 5313(b) funds are sub allocated to metropolitan planning organizations (MPO) in urbanized areas at the state's discretion. Other eligible uses, at the state's discretion, include statewide planning and other technical assistance activities, planning support for non urbanized areas, research, development and demonstration projects, fellowships for training in the public transportation field, university research, and human resource allocation to MPOs for planning in urbanized areas.

**Hazard Elimination Safety Program (Title 23 U.S.C.)** Section 152 (a) funds provide funding to eliminate travel hazards and to improve safety. The projects are nominated by local agencies and funded based on a calculated safety index and annual priorities established by FHWA.

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**Regional Surface Transportation Program (Title 23 U.S.C. section 104 (b)(3))** RSTP provides funding for roadways, bridges transit capital, bicycle, and pedestrian projects. Funding for this program is supported by the federal Surface Transportation Program.

**TEA 21 Section 3037 (Job Access and Reverse Commute Grants)** Section 3037 grant programs are available to develop transportation services that are specifically designed to transport welfare recipients and low-income individuals to and from jobs. Emphasis is placed on projects that use mass transportation services.

**TEA 21 Section 5208** Section 5208 provides for a comprehensive program to accelerate the integration and interoperability of intelligent transportation systems in metropolitan and rural areas. Under the program, the Secretary of USDOT shall select for funding through competitive solicitation, projects that will: serve as models to improve transportation efficiency, promote safety (including the flow of intermodal travel at ports of entry), reduce emissions of air pollutants, improve traveler information, enhance alternative transportation modes, build on existing intelligent transportation system project or promote tourism.

**TEA 21 Section 5209** - Section 5209 provides for the advancement of technological capability and promote the deployment of intelligent transportation system applications to commercial vehicle operations, including commercial vehicle, commercial driver and carrier specific information systems and networks.

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### **STATE FUNDING SOURCES**

#### **Aviation**

**California Aid to Airports Program (CAAP)** – CAAP funds assist in establishing and improving a statewide system of safe and environmentally compatible publicly owned airports open to public use. The CAAP consists of three sub-programs:

- **Annual Grants** ( Public Utilities Code section 21682)are available to public-use, publicly owned general aviation airports. Commercial service and reliever airports are not eligible for these funds. An eligible airport is credited annually with a grant of \$10,000 which may be used for capital improvements, maintenance and operation. This grant may be accumulated for up to five years (a maximum of \$50,000). There are no match requirements for these funds.
- **Acquisition & Development (A&D)** (Public Utilities Code section 21683) funds are allocated by the CTC on a discretionary basis for capital projects. To be eligible for A&D funds, an airport must have its project listed in the state’s Capital Improvement Program (CIP). The CIP is a ten-year list of projects divided into two five-year phases. The project listings are developed from local, regional, state and federal sources and are submitted to the Aeronautics Program through the RTPAs. The listings include all public-use airport capital needs. Sources of funds (i.e. state and federal) are identified to complete the projects in a specific year.
- **AIP Matching Grants** are also allocated by the CTC. This grant assists the sponsor in meeting the local match for FAA AIP grants. The sponsor must meet the same eligibility requirements as for the Annual Grant except that reliever airports can receive AIP matching grants. The airport must also meet FAA eligibility requirements. The matching rate is 5% of the AIP grant. State funds for an AIP matching grant cannot be allocated by the state until the Federal grant has been accepted by the sponsor.

**Local Airport Loan Program** This program provides financial assistance in the form of loans, repayable over a period not to exceed 25 years. Three types of loans are available:

- **Matching funds loans.** These loans are for the local match required for AIP grants.
- **Revenue generating loan.** An agency must show a demonstrated need for the project, project engineering, financial feasibility and economic justification. Typical projects are hangars and fueling facilities.
- **Airport development loan.** These loans are for other types of development at airports such as terminals.

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### **Regional Planning**

**Caltrans Discretionary Funding Program** Under the federally funded State Planning and Research Program, Caltrans provides transportation planning funds to Districts to support transportation projects. On a case by case basis, these funds may be reimbursed for Regional Transportation Planning.

**State Highway Account (Rural Planning Assistance Funds)** Funds from the State Highway Account (SHA) are allocated to the 29 non MPO State designated Regional Transportation Planning Agencies (RTPAs) by formula and discretionary allocation.

### **Environmental Mitigation**

**Environmental Enhancement and Mitigation (EEM) Program** EEM funds are available to remedy environmental impacts of new or improved transportation facilities.

**Proposition 116** These funds authorized \$2 billion for rail projects that are air-quality oriented, with a set aside for funding transit and other projects in rural counties.

### **Road Construction**

**Minor Program** The Minor Program is divided into two categories: Minor A Program and Minor B Program. Minor A Program is a District-discretionary funding program based on annual Statewide/District allocations. Funds are used for funding projects up to \$750,000. Minor B Program are used for funding projects up to \$110,999.

### **Programming**

**Interregional Transportation Improvement Program** As per SB 45, 25% of State Transportation Improvement Program Funds are allocated to Caltrans to implement projects of statewide significance.

**Regional Transportation Improvement Program** As per SB 45, 75% of State Transportation Improvement Program Funds are allocated to RTPAs to implement projects specifically identified in the Action Element of the RTPs.

**State Transportation Improvement Program (STIP)** STIP consists of state and federal funds. These funds are available for four years and are updated biannually.

**State Highway Operations and Protection Program (SHOPP)** Projects under this program are nominated by Caltrans District offices and sent to Caltrans Headquarters for programming. The California Transportation Commission makes the final project determination.

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### **Transit Improvements**

**State Transit Assistance (STA)** - Formerly Transportation and Development Funds, State Transit Assistance funds are derived from the Public Transportation Account (PTA). 50% of the funds are allocated to Caltrans and the other 50% to RTPAs. Of the 50% to the RTPAs, 50% are allocated to mass transit projects for vehicles, equipment, terminals, etc and the other 50% to Transit operators, based on fare revenues.

### **Local Funding Sources**

**Local Transportation Funds (LTF)** Local Transportation Funds are derived from and returned to each county. Under the Transportation Development Act (PUC Section 99233.2) one quarter percent of the general sales tax is returned to the county of origin specifically to support transit programs. Transit operators have the option of passing through these funds to the RTPAs for planning purposes. In the seven statutorily created RTPAs, up to 3% of the LTF funds may be used for planning purposes. These statutorily created RTPAs and citations are:

Metropolitan Transportation Commission, PUC Title 7.1, Sec. 66500

Tahoe Regional Planning Agency, PUC Title 7.4, Sec. 66800

Placer County Transportation Agency, PUC Title 7.91, Sec 67910

Nevada County Transportation Planning Agency, PUC Title 7.92, Sec 67920

Transportation Agency of Monterey County, PUC Title 7.93, Sec 67930

Santa Cruz County Regional Transportation Commission, PUC Title 7.94, Sec 67940

El Dorado County Transportation Planning Agency, PUC Title 7.95, Sec 67950

**Local Member Fees** Every one of the 58 counties in California is within one of 44 Regional Transportation Planning Agencies (RTPAs). These counties and many cities within them provide financial support to address regional transportation issues. Self-imposed fees fund the planning staff and ongoing maintenance of the regional transportation planning process.

**Motor Vehicle In-Lieu Fees** The State of California returns these motor vehicle registration funds to the county based on population. General Fund revenues are not restricted for roadway use.

**State Gas Taxes** Gas tax funds are used for roadway maintenance. The amount of allocation to each city and county is primarily based on population.

**Traffic Mitigation Fees** Traffic mitigation fees are one-time charges on new development to pay for required public facilities, and mitigate impacts created by the development.